Government of Alberta ■

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GAS ROYALTY OPERATIONS INFORMATION BULLETIN February 2012

A. PRICING RATES AND TRANSPORTATION INFORMATION
Pricing, Royalty Rates and Transportation Information – December 2011 2

B. NOTICES
Pricing Rates and Transportation Information 2
Correspondence Address for Royalty Deposits 2
Monthly Sulphur Corporate Average Price Calculation – VA4 Form 2

C. MONTHLY INFORMATION
December 2011 Royalty Due March 30 3
January 2012 VA4 Due March 15 4
Registry Deadline Submissions 4
Interest Rate February 2012 4
November Provisional Assessment Charge 4
November Penalty Charges 4
Gas Royalty Operations Support 5
Well Event Measured Depth Determination Letter 5

D. INFRASTRUCTURE DATA CHANGES
Client ID Listing 5
Client Status Changes 6
Nova Tolls – Multiple Gas Reference Prices 6

E. REMINDERS
Information Sessions 6
Submission of Production Year 2011 Allowable Cost (AC) and Sulphur Corporate Average Price Calculation (VA3) Submissions 7
Capital and Operating Cost Allowance Filing – Expected AC2 Reports on the Registry 8
Custom Processing Allowance Fees Paid – Expected AC5 Reports on the Registry 9
Statutory Requirement and Recalculation of 2007 Royalty 10
AB WG 99999 Reporting Review 12
Alberta Energy – Gas Royalty Operations Calendar 12

F. POINTS OF CONTACT
Petroleum Registry of Alberta 12
Alberta Energy Internet 12
Volumetric & Cost Reporting 12
Reference Prices and Valuation Allowances Calculation Information 14

PLEASE ENSURE YOUR PRODUCTION ACCOUNTANTS RECEIVE A COPY OF THIS DOCUMENT

PRICING RATES AND TRANSPORTATION INFORMATION

A. For Pricing, Royalty Rates and Transportation Information for December 2011, refer to Attachments 1, 1A, 2, 2A and 3. These attachments are also available in Excel Format.

B. NOTICES

Pricing Rates and Transportation Information

Effective March 2012, the pricing rates and transportation information will no longer be reported as attachments in the Information Bulletin. A link will be provided to the Natural Gas Royalty Prices and Allowances Information Letter for this data. A new notice will be submitted monthly in the Information Bulletin to report sulphur prices.

Correspondence Address for Royalty Deposits

Effective immediately, all queries relating to Royalty Deposits should be forwarded to the Management Information Team at ManagementAssurance.Team@enr.gov.ab.ca

Monthly Sulphur Corporate Average Price Calculation – VA4 Form

The Department requires royalty clients with an annual sulphur production of 30,000 tonnes or greater in the 2011 production year to file VA4 forms monthly, beginning with the January 2012 production month. The VA4 form is due on or before the 15th day of the second month following the respective production month. A royalty client whose annual sulphur production is less than 30,000 tonnes may choose to file the VA4 forms monthly beginning with January's production month; however, if this choice is made, the client must file VA4 forms for the entire year. The Department will use the VA4 forms to determine each client's monthly Sulphur Corporate Average Price (S-CAP) and the monthly sulphur default price. We calculate each month's sulphur default price as the weighted average unit value of all arms length sales for all clients who filed VA4 forms for that month. The Department will value and invoice the Crown royalty share of sulphur production monthly using the respective S-CAP price for clients who file VA4 forms, and the sulphur default price for clients who chose not to file VA4 forms. The VA4 form is subject to $100 in late filing penalties for each month or part of the month the form is past due. The VA4 form for the production month of January 2012 is due in the department by March 15, 2012.

Royalty clients who file monthly VA4 forms must file annual VA3 forms. The VA3 form remains the primary sulphur valuation tool and the S-CAP determined from each VA3 will replace the entire year's monthly prices determined from the VA4 forms. The VA3 is due on or before April 15th of the year following the year of production. Interest is charged/paid on the Crown royalty difference when adjusting from monthly to annual valuation. The VA3 form is subject to a one-time $1,000 late filing penalty.

The following royalty clients must submit VA4 forms effective with the 2012 production year, which includes any pricing information for each of its consolidated/amalgamated entities:

Client ID	Client Name	Client ID	Client Name
0017	IMPERIAL OIL RESOURCES	0R46	HUSKY OIL OPERATIONS LIMITED
0026	ENCANA CORPORATION	0RC3	DIRECT ENERGY MARKETING LIMITED
0039	TALISMAN ENERGY INC.	0YT7	MANCAL ENERGY INC.
0BP8	PENN WEST PETROLEUM LTD.	0Z0H	HARVEST OPERATIONS CORP.
0CW8	COMPTON PETROLEUM CORPORATION	A2F0	SHELL CANADA ENERGY
0F3F	DEVON CANADA	A2TG	TAQA NORTH LTD.
0HE9	CANADIAN NATURAL RESOURCES LIMITED	A517	WESTFIRE ENERGY LTD.
0JL8	APACHE CANADA LTD.	A5R5	PENGROWTH ENERGY CORPORATION
0JT1	EXXONMOBIL CANADA ENERGY	A5RE	ENERPLUS PARTNERSHIP
0L0D	SUNCOR ENERGY OIL AND GAS PARTNERSHIP	A637	NEP CANADA ULC
A65L	SINOPEC DAYLIGHT ENERGY LTD.		

C. MONTHLY INFORMATION

December 2011 Royalty Due March 30

- **Royalty clients are to remit the total amount payable shown on the March 2012 Statement of Account by March 30, 2012.** If the amount payable includes accrued current period interest, the interest has only been accrued to the statement issue date. Clients must also include the additional interest that has accrued from the statement issue date to the date of payment, using the per diem amount provided.

- **The March 2012 Statement of Account shows your amount payable as of the Statement issue date. It includes any outstanding balances from your previous statement, your December 2011 invoice amount and any applicable current period interest charges. It also identifies refunds resulting from overpayments.**

- Current period interest will not be charged on current invoice charges for the production month of December 2011 if it is paid in full by March, 2012.

- Current period interest will accrue on any overdue charges commencing the first day after the due-date until it is paid in full.

  Note: If the due date falls on a non-business day, the next business day will apply as the due date.

- Cheques are payable to the Minister of Finance, Province of Alberta.

January 2012 VA4 Due March 15

The VA4 forms for the production month of January 2012 are due in the department offices by March 15, 2012.

Note: If the due date falls on a non-business day, the next business day will apply as the due date for VA4 forms.

Registry Deadline Submissions

The Registry deadline submissions for SAF, OAF, and Volumetrics are posted in the Petroleum Registry of Alberta website "Reporting Calendars" under Calendars. Changes to this calendar will be posted on the Registry website home page in "Broadcast Messages."

Interest Rate February 2012

Alberta Energy's interest rate for February is 4.00%.

November Provisional Assessment Charge

The summary of Provisional Assessment Charges for all production periods in the November 2011 billing period was:

First Time Provisional Assessment	Reversals of Provisional Assessments	Net Provisional Assessment
$11,123,253.08	($9,838,935.98)	$1,284,317.10

November Penalty Charges

The penalty table below shows at the form level, the total penalty charges and reversals, for the November 2011 billing period.

Forms	Penalty Charges	Penalty Reversals	Net Penalty Charges for 2011/11
AC2	$304,800	$0	$304,800
AC4	$800	$0	$800
AC5	$4400	$0	$4400
NGL1	$0	$0	$0
VA2	$0	$0	$0
VA3	$0	$0	$0
VA4	$100	$0	$100
Total	**$310,100**	**$0**	**$310,100**

Gas Royalty Operations Support

Upon request, Gas Royalty Operations staff will be available to meet with clients who need assistance with royalty reporting. Royalty clients requiring assistance are encouraged to contact your respective Gas Royalty Volumetric and Cost Reporting portfolio representative, as identified in Section F of this bulletin, to arrange a meeting.

Well Event Measured Depth Determination Letter

The department has issued a "Well Event Measured Depth Determination Letter" under the Report Package DOE – Gas to facility operators via the PRA on February 1 and 14, 2012. This letter shows the confirmed Measured Depth (MD) of each active well event that will be used to calculate the Depth Factor (DF) of the quantity component rate under the new royalty formula. A well event that is not listed on the letter and does not have a confirmed MD will receive a DF of 1. When the changes to the MD are confirmed by the department, a letter is issued to a facility operator who reports changes through the PRA to well event attributes affecting MD. All changes to the MD are applied on a go forward basis only. Facility operators are advised to submit well event attribute changes by the last day of the calendar month in order for timely determination of MD.

D. INFRASTRUCTURE DATA CHANGES

Client ID Listing

The BA Identifiers Report is a directory of Business Associate (BA) names, codes, status (e.g. struck, active, amalgamated, etc.), status effective dates, and effective August 2004, includes Working Interest Owner (WIO) role start/end dates.

This report is also published daily on the Petroleum Registry website at:

http://www.petroleumregistry.gov.ab.ca

The department reminds Business Associates to review their WIO role to ensure that the start and end dates are reflected correctly. If the BA does not have an active WIO role, the operators cannot allocate volumes to the BA for the relevant production periods through the SAF/OAF allocations.

- If a BA has a WIO role, then that BA can receive SAF/OAF allocations from the WIO role start date forward.
- If a BA has a WIO role with an end date, then they can only receive SAF/OAF allocations from the WIO role start date until the end date. Any SAF/OAF allocations after the end date will be rejected.
- If a BA does not have a WIO role start date, then that BA cannot receive SAF/OAF allocations.

Please contact Client Registry at 780-422-1395, if you have any questions regarding the information supplied on this listing.

Client Status Changes

Clients must ensure that all royalty documents are completed using only valid client names and IDs. It is critical that royalty clients use current legal client names and their appropriate IDs on all documents to ensure accurate royalty calculation and to prevent provisional assessment and penalties. Rejects will occur when invalid IDs are used.

If you require information regarding client names or IDs, please contact Client Registry at 780-422-1395.

Nova Tolls - Multiple Gas Reference Prices

Royalty information related to the implementation of the Factor Model negotiated with industry for determining Multiple Gas Valuation Prices is provided on the Natural Gas website's Royalty Related Information page under Facility Royalty Trigger Factors and Meter Station Ties.

E. REMINDERS

Information Sessions

Volumetric & Cost Reporting will be conducting two information sessions on February 28, 2012, at the ConocoPhillips Theatre, Gulf Canada Square, 401 – 9th Avenue S.W. Calgary Alberta.

The morning session is from 10:00 a.m. to 12:00 p.m. The afternoon session is from 1:30 p.m. to 3:30 p.m. The content of both sessions is the same.

The following topics will be covered:

- Allowable Cost Forms (AC1, AC2, AC3 and AC5), Facility Effective Royalty Rate, Cost Restrictions, Form Deadlines, Penalty Implications, and Helpful Hints.
- RMF2, RMF2-T and RMF3 Working Interest Ownership portion, and Helpful Hints.
- Potential process changes to Provisional Assessment, Department of Energy Ensure Complete report, and duplicate pricing information communicated to industry in the Information Letter and Information Bulletin.

Please email Wendy Stenbeck at wendy.stenbeck@gov.ab.ca to register for one of these sessions.

Submission of Production Year 2011 Allowable Cost (AC) and Sulphur Corporate Average Price Calculation (VA3) Submissions

Allowable Cost (AC1, AC2, AC3 and AC5) and Annual Corporate Average Price Calculation - Sulphur (VA3) submissions for the 2011 production year are due on the following dates:

Form Type	Due Date	Penalty
AC1	March 01, 2012	-
VA3	April 16, 2012	$1,000/One time only
AC2	April 30, 2012	$100/Form/Month upon due date to a maximum of $600
AC3	May 15, 2012	-
AC5	May 15, 2012	$100/Form/Month upon receipt to a maximum of $600

Operating costs must be reported with capital costs (AC2) on one submission. Details on the changes to Gas Cost Allowance are available on the Alberta Energy Internet address: www.energy.alberta.ca. From Our Business, navigate to Natural Gas, Legislation, Guidelines & Policies, Gas Royalty Information Bulletins, Changes to Gas Cost Allowance link.

Facility Cost Centre (FCC) operators are required to complete all allowable cost submissions (initial and amended filings for current and prior production years) on the Registry. Although use of the Registry to submit AC3 and AC5 data is mandatory for operators, it remains voluntary for non-operators. However, non-operators are strongly encouraged to use the Registry to submit and retrieve their AC3 and AC5 data. The business rules and submission method for VA3 submissions remain the same with notification from the department informing clients that their submissions have been processed. Annual allowable cost submissions are processed nightly except during an invoice run cycle. New facility cost centre set-ups are processed within four hours of receipt in the morning, and an overnight turnaround if received in the afternoon. New

facility cost centre set-ups continue to be processed during an invoice run cycle. Sulphur Corporate Average Price submissions are processed as they are received.

The department encourages timely submissions to allow sufficient turnaround time for corrections. The font size on faxed forms must be 10 point or greater and must not be bolded. Penalties will apply where valid system acceptable submissions are not received by the filing deadline. Barring the department's responsibility, inability to submit annual cost submissions on the Registry and/or illegible script will not reverse a penalty once imposed.

If you have any questions or require clarification, please contact your Volumetric & Cost Reporting portfolio representative, as identified in Section F of this bulletin.

Capital and Operating Cost Allowance Filing - Expected AC2 Reports on the Registry

The Crown deducts allowances for costs incurred and paid in Alberta for compressing, gathering and processing its royalty share of gas and gas products. Annual capital and operating cost allowances are combined on the AC2-V4 with an ability to allocate these cost allowances among working interest owners and multiple delivery facilities. The Facility Cost Centre (FCC) operator, on record at year end, is responsible for filing the AC2-V4 via the Registry.

The Expected AC2 Report identifies the FCC operator as of a specific date, the status of the FCC, its effective date and whether a valid AC2 was submitted for a production year.

The Expected AC2 Report is grouped by an Energy Resources Conservation Board (ERCB) Facility and related FCC. The report displays the following:

- Facility ID and Facility Name
- FCC ID and FCC Name
- "Y"(yes) and "N"(no) Indicators to identify whether or not the FCC is fully depreciated
- The FCC Operator Effective Date
- "Y"(yes) and "N"(no) Indicator to determine whether or not an AC2 was submitted for the production year
- All consolidated/amalgamated companies have been included within this report, where applicable.

The information in the report reflects the department's records as of the file preparation date and does not reflect submissions subsequently received and/or processed. Any submissions (AC1, AC2, Invoice Consolidation Concurrence – ICC1, etc.) processed after the report date will not be shown. The absence of a company name or FCC from these reports will not be an acceptable reason to waive a penalty once assessed.

The Expected AC2 Report is available in PDF, TXT and CSV formats and is generated weekly during the Gas Cost Allowance reporting season. The Expected AC2 Report will be available on the Registry weekly starting in February 2012 until mid-May 2012.

If you are not the operator for the FCC identified on the report, please submit a Facility Cost Centre Set-Up/Change (AC1-V2) via the Registry identifying the change in operator and its effective date. An AC1 submission identifying an FCC change in operator is due on or before the last day of the month following the production month in which the change occurred.

FCCs that are shut-in or terminated for an entire production year will not appear on the report. Operators of fully depreciated (zero remaining useful life) FCCs remain responsible for AC2-V4 submissions. Submissions are required to ensure the department has correctly identified Capital and Operating Cost Allowance allocations to working interest owners and/or other delivery facilities as well as Custom Processing Adjustment Factors for the FCC.

AC2-V4 submissions are required to be filed on the Registry. An AC2-V4 can be entered online or by batch. If a system acceptable AC2-V4 submission is not received and processed by the filing deadline (April 30th of the year following the production year to which it relates), a penalty will be assessed.

Please contact The Petroleum Registry of Alberta, Service Desk, at 1-800-992-1144 regarding access to or use of the Registry. The deadline for filing an AC2-V4, for the production year 2011, is April 30, 2012.

Custom Processing Allowance Fees Paid – Expected AC5 Reports on the Registry

Royalty clients who have incurred and paid for compressing, gathering and/or processing gas and gas products on a fee-for service basis, in Alberta, are required to submit an AC5-V4 to the department by May 15th of the year following the production year to which it relates. This includes custom processing fees associated with freehold, purchased, and out-of-province volumes. The Expected AC5 Report provides a complete list of the Energy Resources Conservation Board (ERCB) facilities and related Facility Cost Centres (FCCs) where the operator has allocated custom user volumes to the royalty client in Parts 6 and 10 (Custom Processing Adjustment Factor) of a Capital & Operating Cost Allowance AC2-V4 submission.

This report identifies the ERCB facilities and FCCs that the royalty client requires to file an AC5-V4. The information in the report identifies the department's records as of the file preparation date and does not reflect submissions subsequently received and/or processed.

The Expected AC5 Report is grouped by ERCB Facility and related FCC. The report displays the following:

- FCC ID, FCC Name & FCC Type
- Operator ID and Name allocating custom user volumes
- Allocated Custom Processing (CP) volumes in 103m3

In addition, as of the report generation date, there are "Y" (yes) and "N" (no) indicators for the previous and current production years that identify whether the:

- department has received a valid AC5 submission for the royalty client and
- the ERCB facility has been reported on the AC5 submission.

If a system acceptable AC5-V4 submission is not received and processed by its filing deadline (May 15th of the year following the production year to which it relates) it is subject to penalty charges upon receipt of the form. The absence of a company name or an FCC from these reports will not be an acceptable reason for a waiver of penalty.

The Expected Custom Processing Fees Paid (AC5) Report is available in PDF, TXT and CSV formats. The Expected AC5 Report will be available on the Registry weekly starting the second week of February 2012 until the last week of May 2012.

Operators of FCCs must use the Registry to retrieve the report. Non-operators and other royalty clients that currently submit and receive hard documents will continue to receive the Expected AC5 Report by mail. Electronic filers are required to submit their Allowable Cost forms via the Registry.

If you have any questions, please contact your Volumetric & Cost Reporting portfolio representative, as identified in Section F of this bulletin.

Please contact The Petroleum Registry of Alberta, Service Desk, at 1-800-992-1144 regarding access to or use of the Registry. The deadline for filing an AC5-V4, for the production year 2011, is May 15, 2012.

Statutory Requirement and Recalculation of 2007 Royalty

A production year becomes statute barred on December 31st, four years after the end of a production year. Once a year has become statute barred, calculation or recalculation of royalty does not occur on a monthly basis. Section 38 of the Mines and Minerals Act provides for recalculation of royalty that can be initiated in two ways:
1. On the department's initiative in conjunction with an audit or examination; or
2. At the request of a royalty payer.

Department Initiated Amendments
Please refer to Attachment 4 for a list of Deep Marginal Gas Wells, Royalty Adjustment Program, and for Deep Gas Royalty Holiday Program that require the fifth (5^{th}) year to be open for the 2007 production year. The department will contact clients who are impacted. For more information, please contact Joyce Chen at 780-427-1550.

Please refer to Attachment 5 for a list of facilities that require the fifth (5^{th}) year to be open. These facilities and the wells tied to these facilities require the fifth (5^{th}) year to be open for the 2007 production year. The department will contact clients who are impacted. For more information, please contact Mary Spearing at 780-427-8630 or Joyce Chen at 780-427-1550.

2007 Production Year Audits in Progress
Non-operator partners are advised that certain Enhanced Oil Recovery, CO2 Project Credit claims, allowable costs, custom processing fees, capital costs, custom processing

adjustment factor (CPAF), and volumetric reporting discrepancy audits are currently in progress.

It is anticipated that these audits will be completed before December 31, 2011. However, should circumstances warrant it, completion of these audits will occur in 2012. The list of Facility Cost Centres affected by the custom processing adjustment factor review at year end can be found in Attachment 6.

Royalty clients are also reminded that amendments received by the department in the fourth year following the production year may be subject to audit. If the amendments are received late in the fourth year and insufficient time is available for the department to commence a review of the amendments prior to the end of the year, the department reserves the right to commence the audit at the beginning of the fifth year.

If you have any questions, please contact Kris Pretty of the Compliance & Assurance Group at 403-297-8785.

Industry Recalculation of 2007 Royalty

Industry initiated royalty recalculation requests for the 2007 production year must be submitted in writing to the attention of Pat Van Meer, Manager, Volumetric & Cost Reporting, Gas Royalty Operations. This request should have been received by the department on or before December 31, 2011 and it must include the following:

Identification of the recalculation facility or facilities

- A list of the royalty variables proposed for recalculation
- The reason for the recalculation
- The production year of the recalculation
- An order of magnitude estimate (i.e. >$100,000, >$1 Million, >$2 Million, etc.,) of the recalculation requested
- Identification of all royalty clients that may be impacted by the request (this is necessary, especially in situations where volumes may be cascaded to another client who is expected to respond to the cascade)
- The time lines for recalculation: preparation and submission to the Crown including a reasonable time frame for the Crown to review the recalculation
- Confirmation from the operator that the affected partner(s) have been notified
- A sample copy of the submission pertaining to a particular production month in paper or electronic format (e.g., excel)

If the request meets the department's terms and conditions for recalculation, it will be approved. A request made during the fourth year following the production year, must be completed before the end of the fifth year, with a reasonable time for a review by the department, prior to the end of the fifth year.

If you have any questions regarding this process, please contact your Volumetric & Cost Reporting portfolio representative, as identified in Section F of this bulletin.

AB WG 99999 Reporting Review

The department is reviewing the volume/gigajoules of gas and gas products reported under stream ID AB WG 99999 for the production years 2007 and onwards. This review will be completed in 2012.

The objective of the review is to ensure that all gas and gas products reported under stream ID AB WG 99999 are valid and are accurately allocated in relation to the royalty paid gas and gas products received at the facility or facilities which are subsequently triggered for royalty.

Where it is found that AB WG 99999 volumes are not substantiated by the receipt of royalty paid volumes, royalty clients will be notified to explain the methodology used to arrive at the AB WG 99999 volumes and to submit amendments if reporting errors are found.

Alberta Energy – Gas Royalty Operations Calendar

A 2012 calendar is attached, which provides critical filing dates that clients are required to meet with respect to Gas Royalty processing cut-off periods.

F. POINTS OF CONTACT

Petroleum Registry of Alberta

The Petroleum Registry of Alberta Service Desk is the focal point for communications with the Registry regarding preparations for, access to, or utilization of the Registry.
To contact the Petroleum Registry of Alberta Service Desk:
Phone: 403-297-6111 or 1-800-992-1144
Fax: 403-297-3665
Email: petroleumregistry.energy@gov.ab.ca

Alberta Energy Internet

Prices, Royalty Rates and Transportation Information are available on the Alberta Energy Internet address: www.energy.alberta.ca, from "Our Business", navigate to "Natural Gas", "About Natural Gas", "Prices", "Alberta Natural Gas Reference Price (ARP)".

In addition, both the Gas Royalty Information Bulletins and Information Letters are also available under "Our Business", navigate to "Natural Gas", "Legislation, Guidelines & Policies".

Volumetric & Cost Reporting

Volumetric & Cost Reporting is structured as a Business Associate client portfolio system, which

assigns a given Business Associate to one of three teams. Listed below is the portfolio breakdown along with the Volumetric & Cost Reporting Team Leads and phone numbers. The portfolios are divided by company name and not by BA ID.

Example: If your company name is the "Gas Company" you would call the C – G team at 780-644-1202.

Business Associate	Phone Number and E-mail Address	Team Lead
Numbered companies, A, B, H-P	780-644-1201 VCR1@gov.ab.ca	Mary Spearing
C – G	780-644-1202 VCR2@gov.ab.ca	Lily Hiew
Q – Z	780-644-1203 VCR3@gov.ab.ca	Jyoti Bhambhani

Gas Royalty Reception: 780-422-8727
Fax: 780-427-3334 or 780-422-8732
Alberta Toll Free: 780-310-0000

Hours of operation are 8:15 a.m. to 4:30 p.m. Voice messages left after 4:30 p.m. will be answered the next business day.

In situations where a company has just amalgamated or purchased another company, the general rule is to call the team that is responsible for the "Supra" business associate, or Royalty payer. Below are some guidelines for clients who are unsure which Volumetric and Cost Reporting Team to call regarding their questions.

1. **Amalgamation/consolidation** - Call the team responsible for the "Supra" business associate (Royalty Payer).
   i.e. ABC Oil and Gas amalgamates with Zed Exploration and Zed is the amalgamator (royalty payer). When calling Volumetric and Cost Reporting regarding business for ABC Oil and Gas, you would call Team 3 (Q-Z) (780-644-1203) because Zed Exploration is now the Supra business associate and royalty payer. This rule would apply even if you were calling regarding business that is prior to the acquisition or amalgamation.

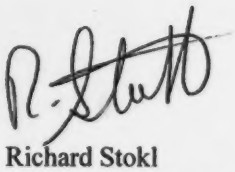
2. **Asset Purchase** - Call the team responsible for your company.
   i.e. 123 Gas purchases the assets of TSP Exploration, but not the company. When calling Volumetric and Cost Reporting regarding business for 123 Gas, you would call Team 1 (# Co., A, B, & H-P) (780-644-1201) because you have only purchased assets.

3. **Consultants/service providers** - If you have a contract to provide production accounting services to a company, call the team responsible for your client's company.

i.e. Paul Snow Consulting Services enters into a contract with Duckback Oil and Gas and Olive Oil and Gas. Paul Snow would contact Team 2 (C-G) (780-644-1202) to discuss Duckback Oil business and Team 1 (# Co., A, B, & H-P) (780-644-1201) to discuss Olive Oil and Gas business. At the time the contract is signed, Paul Snow would have had each company notify the appropriate team that he was authorized for their company.

Reference Prices and Valuation Allowances Calculation Information

Gas Royalty Valuation and Markets
300, 801 – 6 Avenue SW
Calgary, Alberta T2P 3W2
Telephone: 403-297-5514
Fax: 403-297-5400



Richard Stokl
Director, Gas Royalty Operations
Royalty Operations

Attachments

2011 GAS AND ISC PRICES

MONTH	Gas Reference Price ($/GJ)	Methane ISC Reference Price ($/GJ)	Methane ISC Par Price ($/GJ)	Ethane ISC Reference Price ($/GJ)	Propane ISC Reference Price ($/GJ)	Butane ISC Reference Price ($/GJ)	Pentanes plus ISC Reference Price ($/GJ)
JAN	3.49	3.49	3.49	3.50	3.73	3.69	3.72
FEB	3.40	3.40	3.40	3.40	3.40	3.40	3.40
MAR	3.19	3.19	3.19	3.19	3.19	3.19	3.19
APR	3.30	3.30	3.30	3.30	3.30	3.30	3.30
MAY	3.39	3.39	3.39	3.39	3.39	3.39	3.39
JUN	3.51	3.51	3.51	3.51	3.51	3.51	3.51
JUL	3.42	3.42	3.42	3.42	3.42	3.42	3.42
AUG	3.32	3.32	3.32	3.32	3.32	3.32	3.32
SEPT	3.24	3.24	3.24	3.24	3.24	3.24	3.24
OCT	3.17	3.17	3.17	3.17	3.17	3.17	3.17
NOV	2.99	2.99	2.99	2.99	2.99	2.99	2.99
DEC	2.92	2.92	2.92	2.92	2.92	2.92	2.92

DETAIL OF THE DECEMBER 2011 GAS AND ISC REFERENCE PRICES						
	Gas	Methane	C2-IC	C3-IC	C4-IC	C5-IC
NOVA Inventory Transfer (NIT) Purchase Price-Alberta Market Price (AMP) from NGX	3.099	3.099	3.099	3.099	3.099	3.099
Deductions: Intra – Alberta Transportation	0.152	0.152	0.152	0.152	0.152	0.152
Price Before Pipeline Factor	2.947	2.947	2.947	2.947	2.947	2.947
Pipeline Fuel/Loss Factor	0.990	0.990	0.990	0.990	0.990	0.990
Price before Special Adjustment	2.918	2.918	2.918	2.918	2.918	2.918
Special Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Calculated RP (Price Before Amendment Limitation or Rounding)	2.918	2.918	2.918	2.918	2.918	2.918
Amendments: Brought forward (from previous RP month)	0.000	0.000	0.000	0.000	0.000	0.000
Prior Period Amendment Adjustment (current RP month)	0.000	0.000	0.000	0.000	0.000	0.000
Calculated RP after Amendments	2.918	2.918	2.918	2.918	2.918	2.918
Reference Price	**2.92**	**2.92**	**2.92**	**2.92**	**2.92**	**2.92**
Difference carried forward to next RP month (rounding difference not carried forward)	0.000	0.000	0.000	0.000	0.000	0.000
Adjusted Intra-Alberta Transportation Deduction		0.151	0.151	0.151	0.151	0.151

2011
NATURAL GAS LIQUIDS PRICES

MONTH	Ethane Reference Price ($/GJ)	Ethane Par Price ($/GJ)	Propane Reference Price ($/m3)	Propane Floor Price ($/m3)	Butane Reference Price ($/m3)	Butane Floor Price ($/m3)	Pentanes plus Reference Price ($/m3)	Pentanes plus Par Price ($/m3)	Sulphur Default Price ($ per tonne)
JAN	3.50	3.50	328.53	258.55	476.27	333.43	572.45	556.08	71.15
FEB	3.40	3.40	290.08	255.74	480.89	349.40	580.22	565.91	84.27
MAR	3.19	3.19	320.31	261.41	540.67	348.30	672.36	678.03	84.41
APR	3.30	3.30	325.22	260.22	517.42	360.82	741.56	730.13	91.83
MAY	3.39	3.39	343.92	280.67	494.36	356.71	646.15	615.44	109.07
JUN	3.51	3.51	345.59	282.47	500.69	339.52	647.08	631.87	135.10
JUL	3.42	3.42	333.32	279.22	587.17	346.50	734.90	657.88	112.99
AUG	3.32	3.32	354.47	289.24	527.92	347.11	729.89	610.41	101.27
SEPT	3.24	3.24	359.30	291.17	556.45	373.95	622.20	599.71	117.71
OCT	3.17	3.17	352.28	284.58	587.83	339.47	664.53	653.81	124.19
NOV	2.99	2.99	339.35	270.57	650.03	359.75	720.43	706.63	130.09
DEC	2.92	2.92	269.82	246.59	652.89	396.57	615.14	687.83	136.42

ANNUAL SULPHUR DEFAULT PRICE

2006	2007	2008	2009	2010
$18.89	$32.53	$297.38	$5.83	$42.19

2011

NGL TRANSPORTATION ALLOWANCE AND DEDUCTIONS

MONTH	PENTANES PLUS (a)				PROPANE AND BUTANE (b)				PENTANES PLUS, PROPANE & BUTANE (c)				FRAC. ALLOW. (per m3)
	REGION				REGION				REGION				
	1	2	3	4	1	2	3	4	1	2	3	4	
JAN	7.57	22.12	22.71	22.15	33.18	15.55	25.64	29.62	35.43	58.58	60.03	34.21	18.25
FEB	9.82	20.74	4.74	23.14	1.62	-6.61	-351.59	71.43	52.73	35.31	58.66	37.18	18.25
MAR	-30.72	12.38	-5.95	19.89	53.49	38.31	2.55	46.74	65.62	60.23	59.49	58.68	18.25
APR	-4.33	38.66	2.95	22.03	23.57	16.66	20.58	20.59	25.86	29.34	43.76	17.81	18.25
MAY	13.95	53.40	30.03	39.48	23.92	9.71	17.84	18.69	31.40	34.71	47.84	23.03	18.25
JUN	1.96	24.86	35.74	29.39	38.59	19.43	30.32	30.32	32.48	36.64	45.68	23.88	18.25
JUL	-68.31	209.04	47.39	162.77	-15.56	-83.14	-269.80	-1.28	-176.85	187.77	50.70	-89.58	18.25
AUG	118.91	155.74	43.89	81.71	151.05	42.45	143.71	63.74	79.90	88.81	99.96	58.10	18.25
SEPT	10.93	38.22	1.24	30.83	71.46	37.17	7.10	59.06	62.96	65.45	59.60	40.87	18.25
OCT	28.93	15.47	-6.75	-19.15	66.48	52.67	44.23	66.09	70.53	68.97	77.94	56.44	18.25
NOV	8.90	29.59	-9.33	21.35	70.65	55.71	69.21	77.15	70.44	72.92	90.01	59.02	18.25
DEC	-122.09	145.21	-269.45	-77.09	153.15	17.01	44.18	8.30	48.24	-183.82	75.30	-16.69	18.25

(a) Pentanes Plus obtained as a specification gas product,
(b) Propane and Butane obtained as specification products, and
(c) Pentanes Plus, Propane and Butane contained in a natural gas liquids mix.

Note: For details on "Prior Period Amendment Effects", see Attachment 2A.

PRIOR PERIOD AMENDMENT EFFECTS

NGL REFERENCE PRICES	DECEMBER 2011		
	Propane	*Butanes*	*Pentanes*
Price before amendments	316.870577	557.456126	685.823955
Opening Rollover (from prior business mth)	0.000429	-0.002067	-0.004142
Prior Period Amendment Adj. (NGL-100)	-47.050467	95.438832	-70.678816
Published Reference Price	**269.82**	**652.89**	**615.14**

TRANSPORTATION ALLOWANCES	DECEMBER 2011											
	Pentanes Plus				Propane and Butane				Pentanes Plus, Propane & Butane			
AMENDMENTS	Region 1	Region 2	Region 3	Region 4	Region 1	Region 2	Region 3	Region 4	Region 1	Region 2	Region 3	Region 4
Opening Rollover (from prior business mth)	0.003671	0.002489	0.003826	-0.002475	-0.002766	0.003784	-0.003359	0.004055	0.002900	-0.003010	-0.001664	-0.002802
Prior Period Amendment Adj. (NGL-100)	-115.234569	130.460877	-263.456066	-99.629150	122.811964	25.644272	30.663317	-5.218673	17.119504	-218.224374	36.429004	-31.569473
Total Amendment Effect	-115.230898	130.463366	-263.452240	-99.631625	122.809198	25.648056	30.659958	-5.214618	17.122404	-218.227384	36.427340	-31.572275
Calculated Transp. Differential	-6.856470	14.746854	-5.999672	22.545407	30.339886	-8.633724	13.516810	13.516810	31.118007	34.409994	38.869271	14.881510
Calculated Transp. Differential after Total Amendments	-122.087368	145.210220	-269.451912	-77.086218	153.149084	17.014332	44.176768	8.302192	48.240411	-183.817390	75.296611	-16.690765
Published Transportation Allowance	**-122.09**	**145.21**	**-269.45**	**-77.09**	**153.15**	**17.01**	**44.18**	**8.30**	**48.24**	**-183.82**	**75.30**	**-16.69**

Effective January 2011 production period, the royalty rates for methane and ethane are calculated based on a modified royalty formula. The Alberta Royalty Framework Natural Gas Formulas effective the production years 2011, 2010 and 2009 and for Transition, are available on the Alberta Energy Internet address: http://www.energy.alberta.ca

From the home page, select the Alberta Royalty Framework tab to navigate to select the appropriate formula.

DEEP MARGINAL GAS WELLS, ROYALTY ADJUSTMENT PROGRAM

2007 Royalty Adjustment Program for Deep Marginal Gas Wells

100150905618W504
100142006910W602
100141804410W500
100082607912W604
100060504409W504
102071106223W502
100013105216W500
100160906605W602
102080506605W600
100110503805W502
100102203804W500
100112206507W602
100131504417W500
100113104414W502
100052303206W500
100160404209W500
100133103705W500
100043105216W500
100061706123W503
100052303206W500
100022605217W500
100022205126W500
100111505702W600
100082906204W602
100093006804W602

2007 Deep Gas Royalty Holiday Program

100-04-01-058-25W500

FACILITIES THAT REQUIRE THE FIFTH (5TH) YEAR

BT 1980001 BT 0094186 IF 0009820

FACILITY COST CENTRES (FCCs)

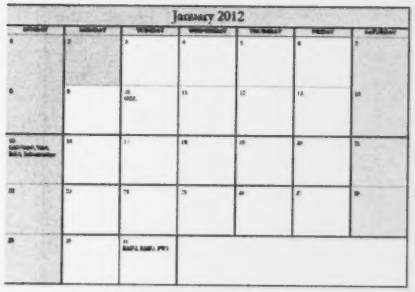
10000305	10040412	10060623	10070083	10076215	01002
10001788	10040700	10061848	10070420	10076243	01131A
10001789	10040722	10062037	10070808	10076244	01131B
10001790	10040723	10062780	10070917	10076975	01383
10002091	10041025	10062894	10071094	10076977	01386
10002904	10041222	10062895	10071189	10077652	01584A
10002949	10041760	10063075	10071746	10078389	01585C
10002950	10042118	10063112	10071870	10078803	01662A
10002951	10042546	10064252	10072447	10079120	01687A
10002952	10042661	10064268	10072457	10079152	02378J
10002953	10042896	10064304	10072576	10079341	02389H
10003153	10042986	10064587	10072754	10079454	02863B
10003476	10042999	10064588	10072867	10079891	02897B
10003477	10043275	10066135	10072907	10080338	42606A
10003787	10043670	10066141	10072948	10080339	41190
10005784	10044051	10066188	10072949	10080340	42647
10024778	10044647	10066314	10072959	10080341	
10026267	10045681	10066316	10073440	10080342	
10026668	10047471	10066317	10073442	10080344	
10027383	10047544	10066364	10073446	10080345	
10028849	10047681	10066367	10073455	10080346	
10028935	10047745	10066374	10073553	10080347	
10029249	10047888	10066375	10073587	10080349	
10029251	10047980	10066376	10073613	10080350	
10029253	10048631	10066378	10074127	10080353	
10029255	10049964	10066390	10074234	10080354	
10031156	10051491	10066391	10074431	10080355	
10031641	10052033	10066409	10074432	10080356	
10032307	10053469	10066416	10074448	10080357	
10033466	10054321	10066476	10074451	10080358	
10033540	10054836	10066519	10074497	10080359	
10034209	10055190	10066520	10074512	10080367	
10034886	10055428	10066522	10074514	10080375	
10035011	10055948	10066524	10074516	10080614	
10035462	10056130	10066603	10074777	10081153	
10035482	10056131	10066604	10076166	10081154	
10035483	10056132	10066605	10076168	10081168	
10035594	10057412	10066606	10076169	10081248	
10035662	10059678	10066608	10076171	10081472	
10035951	10059680	10066940	10076174	10081473	
10035953	10059747	10066992	10076177	10081764	
10035954	10059751	10067340	10076179	10081765	
10039058	10059809	10068151	10076180	10081944	
10039059	10059834	10068158	10076181	10086579	
10039061	10059850	10069196	10076183		
10039308	10059853	10069324	10076184		
10039389	10059854	10069326	10076210		
10040171	10059856	10069826	10076213		
10040400	10060499	10070081	10076214		

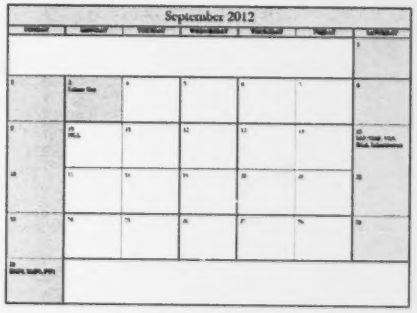
Alberta
ENERGY

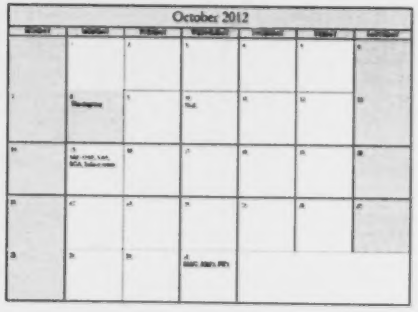
2012

Note 1: If the due date falls on a non-business day, forms will be accepted on the next business day.

Note 2: 2008 production year becomes statute barred on December 31, 2012.







January 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4	5	6	7
8	9	10 NGL	11	12	13	14
15 SAF/OAF, VA4, RGA, Infrastructure	16	17	18	19	20	21
22	23	24	25	26	27	29
29	30	31 RMF2, RMF3, PW1	**NOTE 1: If the due date falls on a non-business day, forms will be accepted on the next business day.** **NOTE 2: 2008 production year becomes Statute Barred Dec. 31, 2012.**			

February 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1	2	3	4
5	6	7	8	9	10 NGL	11
12	13	14	15 SAF/OAF, VA4, RGA, Infrastructure	16	17	18
19	20 Family Day	21	22	23	24	25
26	27	28	29 RMF2, RMF3, PW1	**NOTE 1: If the due date falls on a non-business day, forms will be accepted on the next business day.** **NOTE 2: 2008 production year becomes Statute Barred Dec. 31, 2012.**		

March 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
NOTE 1: If the due date falls on a non-business day, forms will be accepted on the next business day. **NOTE 2: 2008 production year becomes Statute Barred Dec. 31, 2012.**				1	2	3
4	5	6	7	8	9	10 NGL
11	12	13	14	15 SAF/OAF, VA4, RGA, Infrastructure	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31 GR2, AC4, RMF2, RMF3, PW1

April 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4	5	6 Good Friday	7
8	9 Easter Monday	10 NGL	11	12	13	14
15 SAF/OAF, VA2, VA3, VA4, RGA, Infrastructure	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30 AC2, RMF2, RMF3, PW1	**NOTE 1: If the due date falls on a non-business day, forms will be accepted on the next business day.** **NOTE 2: 2008 production year becomes Statute Barred Dec. 31, 2012.**				

May 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1	2	3	4	5
6	7	8	9	10 NGL	11	12
13	14	15 SAF/OAF, AC3, AC5, VA4, RGA, Infrastructure	16	17	18	19
20	21 Victoria Day	22	23	24	25	26
27	28	29	**30**	**31** RMF2, RMF3, PW1	**NOTE 1: If the due date falls on a non-business day, forms will be accepted on the next business day.** **NOTE 2: 2008 production year becomes Statute Barred Dec. 31, 2012.**	

June 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
NOTE 1: If the due date falls on a non-business day, forms will be accepted on the next business day. **NOTE 2: 2008 production year becomes Statute Barred Dec. 31, 2012.**					1	2
3	4	5	6	7	8	9
10 NGL	11	12	13	14	15 SAF/OAF, VA4, RGA, Infrastructure	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30 RMF2, RMF3, PW1

July 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2 Canada Day	3	4	5	6	7
8	9	10 NGL	11	12	13	14
15 SAF/OAF, VA4, RGA, Infrastructure	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	**NOTE 1: If the due date falls on a non-business day, forms will be accepted on the next business day.** **NOTE 2: 2008 production year becomes Statute Barred Dec. 31, 2012.**			

August 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
NOTE 1: If the due date falls on a non-business day, forms will be accepted on the next business day. **NOTE 2: 2008 production year becomes Statute Barred Dec. 31, 2012.**			1	2	3	4
5	6 Civic Holiday	7	8	9	10 NGL	11
12	13	14	15 SAF/OAF, VA4, RGA, Infrastructure	16	17	18
19	20	21	22	23	24	25
26	27	28	29	**30**	**31** RMF2, RMF3, PW1	

September 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
NOTE 1: If the due date falls on a non-business day, forms will be accepted on the next business day. **NOTE 2: 2008 production year becomes Statute Barred Dec. 31, 2012.**						1
2	3 Labour Day	4	5	6	7	8
9	10 NGL	11	12	13	14	15 SAF/OAF, VA4, RGA, Infrastructure
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30 RMF2, RMF3, PW1						

October 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
	1	2	3	4	5	6
7	8 Thanksgiving	9	10 NGL	11	12	13
14	15 SAF/OAF, VA4, RGA, Infrastructure	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31 RMF2, RMF3, PW1	**NOTE 1: If the due date falls on a non-business day, forms will be accepted on the next business day.** **NOTE 2: 2008 production year becomes Statute Barred Dec. 31, 2012.**		

November 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
NOTE 1: If the due date falls on a non-business day, forms will be accepted on the next business day. **NOTE 2: 2008 production year becomes Statute Barred Dec. 31, 2012.**				1	2	3
4	5	6	7	8	9	10 NGL
11	12 In lieu of Remembrance Day	13	14	15 SAF/OAF, VA4, RGA, Infrastructure	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30 RMF2, RMF3, PW1	

December 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
NOTE 1: If the due date falls on a non-business day, forms will be accepted on the next business day. **NOTE 2: 2008 production year becomes Statute Barred Dec. 31, 2012.**						1
2	3	4	5	6	7	8
9	10 NGL	11	12	13	14	15 SAF/OAF, VA4, RGA, Infrastructure
16	17	18	19	20	21	22
23	24	25 Christmas	26 Boxing Day	27	28	29
30	31 RMF2, RMF3, PW1					